



EPM

3Q2023 Report

November 16, 2023

Martha Duran

Executive Vice President of Finance and

Investments

Agenda



- 1. Relevant events of the quarter and subsequent**
- 2. ESG Performance**
- 3. Update on Hidroituango Power Plant**
- 4. Energy Market**
- 5. Financial results as of September 2023**

1. Relevant events of the quarter and subsequent



■ Board of Directors

- In an extraordinary meeting held on September 27, the Board of Directors approved the capitalization of the subsidiary CaribeMar de la Costa SAS ESP (Afinia) for up to COP 350 thousand million.
- On October 4, the Board of Directors made the decision to capitalize UNE EPM Telecomunicaciones for up to COP 300 thousand million.
- On November 1st, the Board of Directors approved EPM Parent Company's budget for 2024 for an amount of COP 28.8 billion, of which COP 4.2 billion will be allocated to infrastructure projects.

■ Une EPM Telecomunicaciones (Tigo-UNE)

- On October 12, EPM and Millicom announced that they reached an agreement to jointly capitalize Tigo-UNE. Each party will contribute COP 300 thousand million (USD 71 million).

1. Relevant events of the quarter and subsequent



■ Hidroituango Power Plant

- On October 27, Hidroituango's units 3 and 4 became available to generate an additional 600 megawatts of clean, renewable energy.
- On Tuesday, November 14, EPM received confirmation of the inclusion of the power generation units 3 and 4 of Hidroituango in the All Risk Material Damage and Business Interruption insurance policy, contracted with the insurer La Previsora Seguros, valid until March 24, 2024, and with an insured limit of USD 250 million.

■ Gas Business

- On October 19, EPM unexpectedly received a communication from Canacol Energy Ltd. regarding the cancellation of the natural gas supply contract starting December 1st, 2024, for most of its market.

2. ESG Performance

Our strategic direction is aligned with the SDG



ESG Main Targets

- **Contribution** to Sustainable Development Goals.
- **Carbon neutral** operations by 2025.
- **Protection of 137,000 hectares** of water supply basins by 2025.
- **Greater availability of utility services** through conventional and unconventional solutions.
- **Climate change mitigation:** energy efficiency, renewable energy, sustainable mobility and emissions management.



Diversity, Gender Equity and Inclusion

Diversity, Gender Equity and Inclusion



EPM recognizes the importance of considering diversity, gender equity, and inclusion criteria in the composition of its Board of Directors. Regarding gender equity, no less than 30% of the members of EPM's Board of Directors will be women.

https://cu.epm.com.co/Portals/investors/Corporate-Governance/Formal-elements/codigo-gobierno-epm-grupo-2023_ENG.pdf

3. Update on Hidroituango



Total Work Progress

✓ **92.41%** as of October 2023

Units 3 and 4 in commercial operation

✓ With the first 4 units, 1,200 MW of installed capacity are completed.



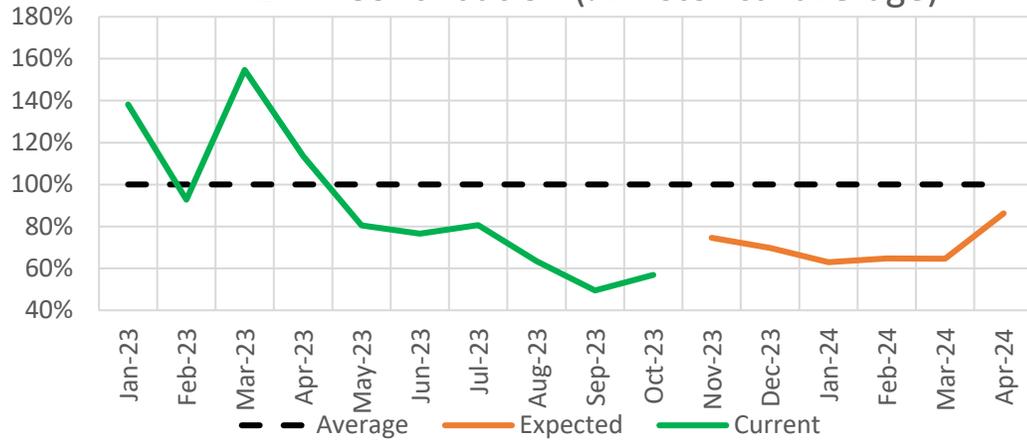
3. Update on Hidroituango



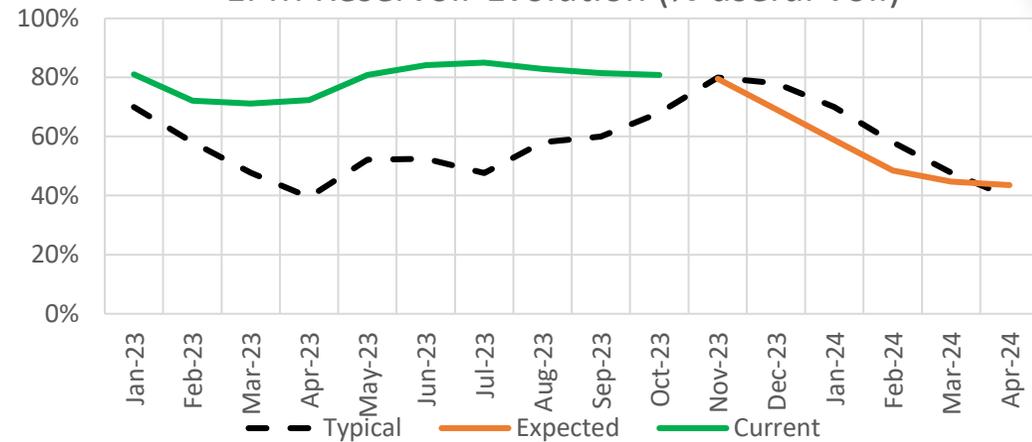
Highlights	Civil Work	Milestones Achieved	Pending Completion	% of Completion
<ul style="list-style-type: none"> • Hidroituango is expected to generate an average of 13,930 GWh of energy per year. • Total Work Progress as of Oct. 2023 [92.41%] • Gross investment as of Sep. 30, 2023: \$19.7 billion. • Net investment as of Sep. 30, 2023: \$15.5 billion, deducting payments from insurance policies. 	Dam and Spillway	<ul style="list-style-type: none"> ■ Fully operational Dam ■ Fully operational Spillway with two channels ■ Final stage of abutment injections 		99.3%
	Powerhouse	<ul style="list-style-type: none"> ■ Stabilization of access tunnel ■ Extraction of sediments ■ Works on north zone vault ■ Cleaning and removal of damaged equipment from units 1 to 4 ■ Assembly of 300-ton bridge cranes ■ Reconstruction of the control building 	<ul style="list-style-type: none"> ■ Recovery and stabilization of tunnels and caverns South Zone ■ Assembly of generation units 5 to 8 	88.5%
	Pressure Well	<ul style="list-style-type: none"> ■ Completed works in-between pressure wells 1 and 2 ■ Shielding of pressure wells ■ Underwater work in intake structures 	<ul style="list-style-type: none"> ■ Recovery of conduction tunnels 5 to 8 	89.3%
	Intermediate Discharge Tunnel	<ul style="list-style-type: none"> ■ Partial reinforcement with concrete lining in selected areas ■ Reinforcement of downstream walls ■ Enlargement of Plug 12 	<ul style="list-style-type: none"> ■ Gate completion and shielding ■ Concrete coating 	66.3%
	Right Diversion Tunnel (RDT) and Auxiliary Diversion Tunnel (ADT)	<ul style="list-style-type: none"> ■ Closing of both gates to the ADT ■ Concrete pouring in said gates was completed. ■ Final plug ADT 	<ul style="list-style-type: none"> ■ Pre-plug 2 and final plug RDT 	98.3%

4. Hydrology and reservoirs levels

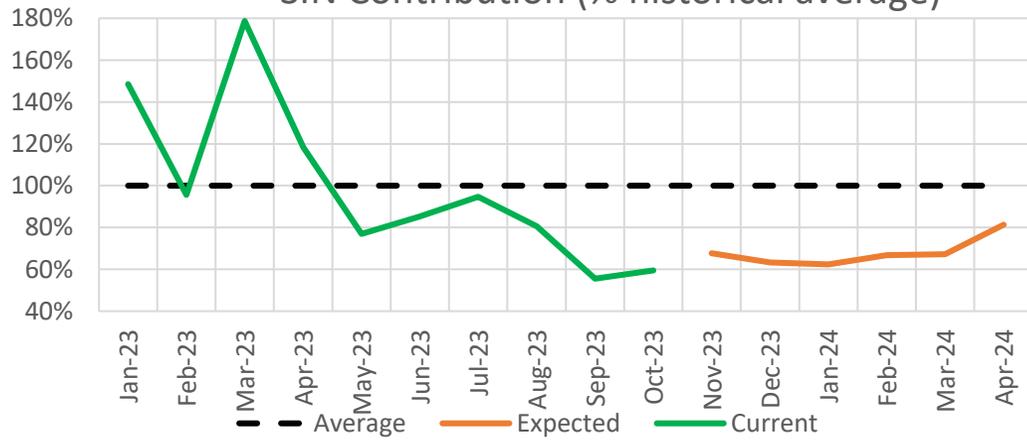
EPM Contribution (% historical average)



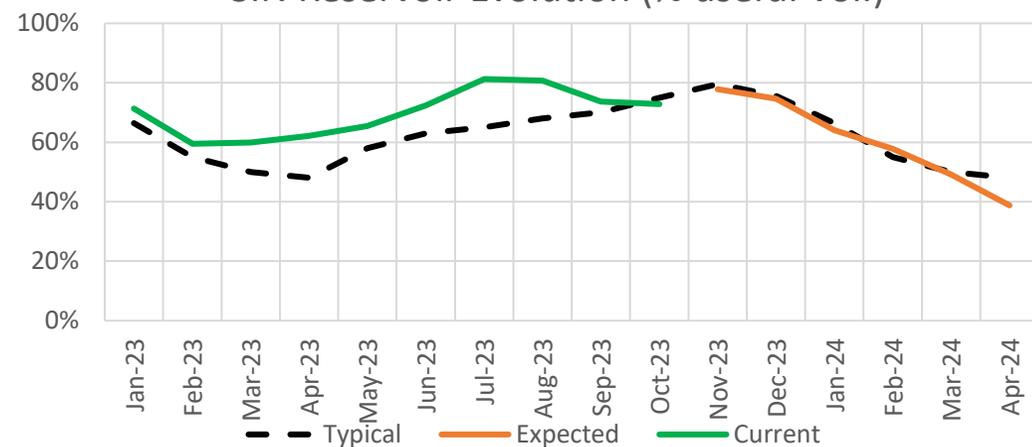
EPM Reservoir Evolution (% useful Vol.)



SIN Contribution (% historical average)



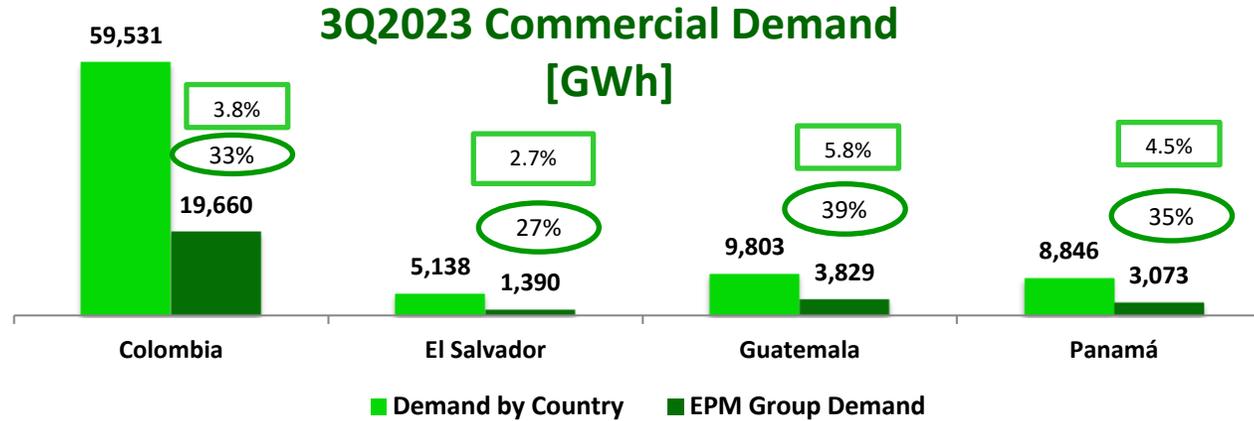
SIN Reservoir Evolution (% useful Vol.)



*Typical reservoir evolution: evolution in the period between January and December without ENSO phenomenon.

4. Energy Market

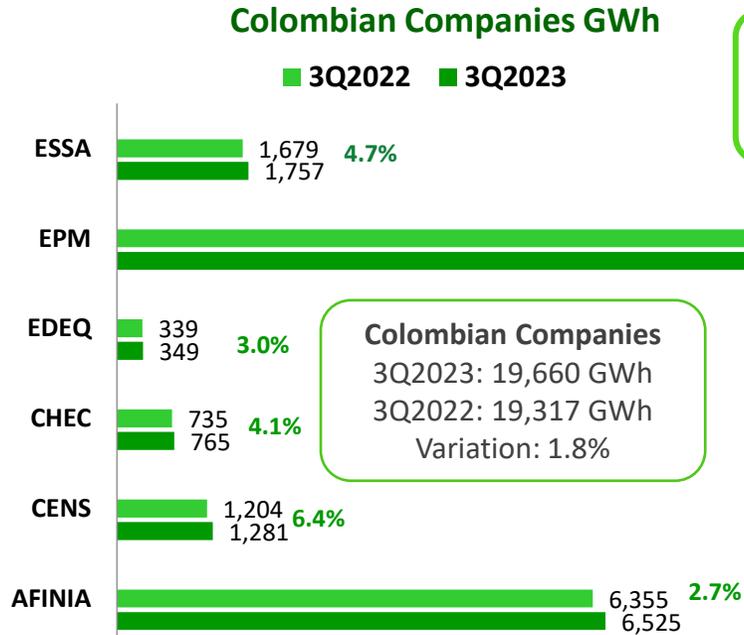
EPM Group Commercial Power Demand



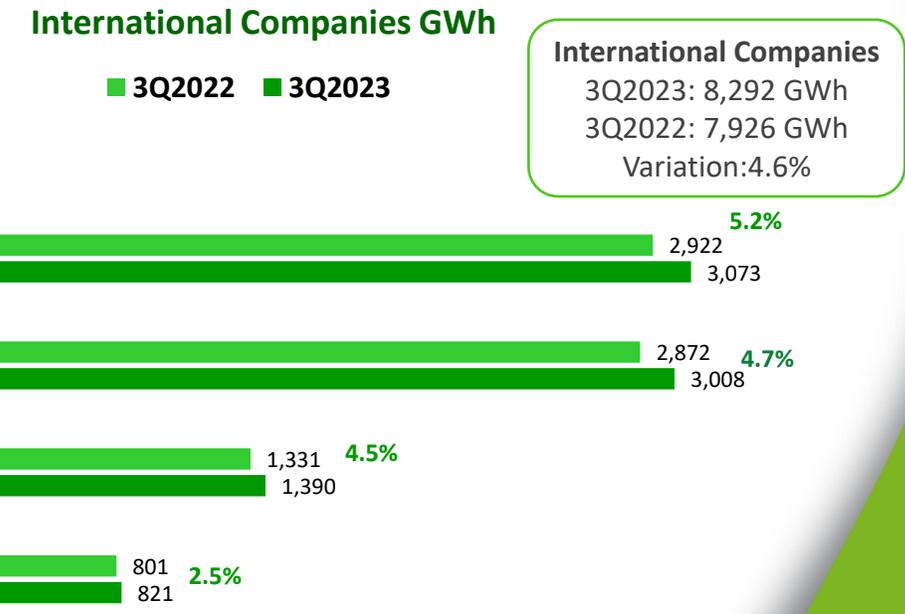
□ % Country's demand variation 3Q2023 vs 3Q2022

○ % EPM Group country demand's share.

Note: Commercial demand reported depends on the clients that each Company attends directly, regardless of the distribution network they are connected (regulated plus nonregulated). The Country's demand reported does not consider energy exports.



Total EPM Group
 3Q2023: 27,952 GWh
 3Q2022: 27,243 GWh
 Variation: 2.6%

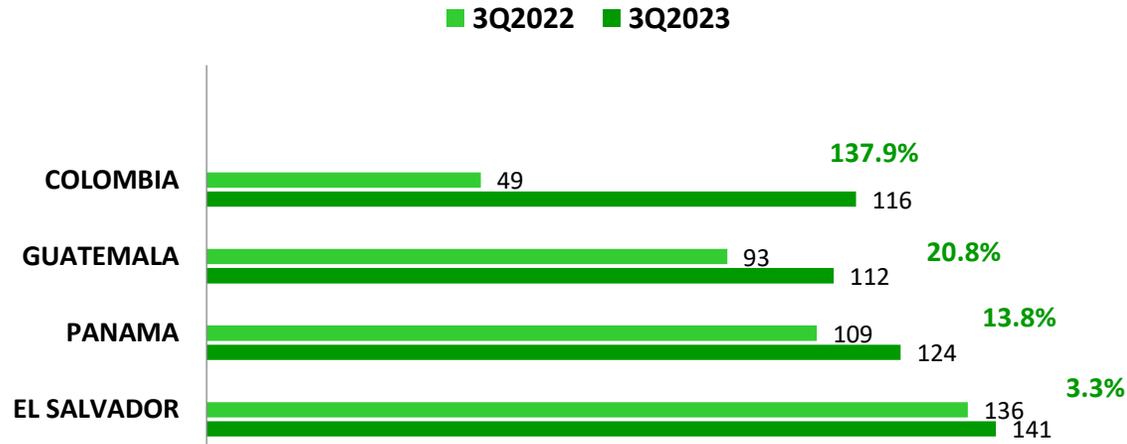


4. Energy Market

Spot Price USD/MWh and EPM Power Generation (GWh)



Spot Price USD/MWh



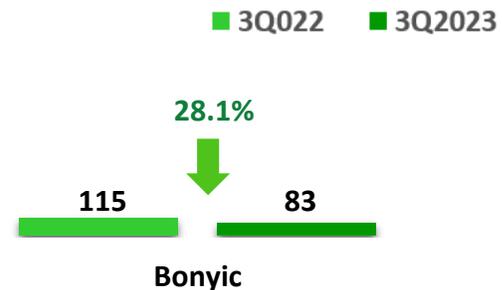
During 3Q2023:

In all the countries in which the EPM Group is present, the spot price increased, mainly due to the decrease in water input and greater use of thermal resources.

EPM Group Power Generation in Colombia [GWh]



International Subs. Power Generation [GWh]



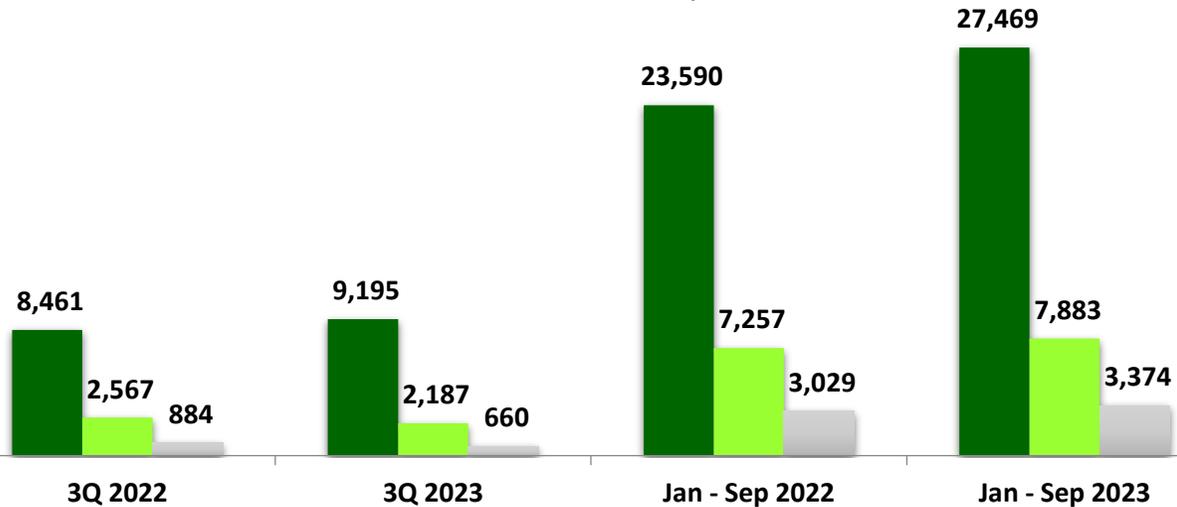
5. Financial Results as of September 30, 2023 (unaudited)

EPM Group Income Statement

Figures in COP thousand million

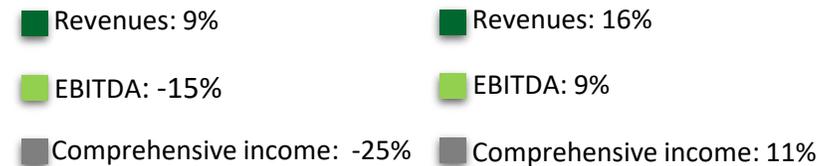


■ Revenues ■ EBITDA ■ Comprehensive income



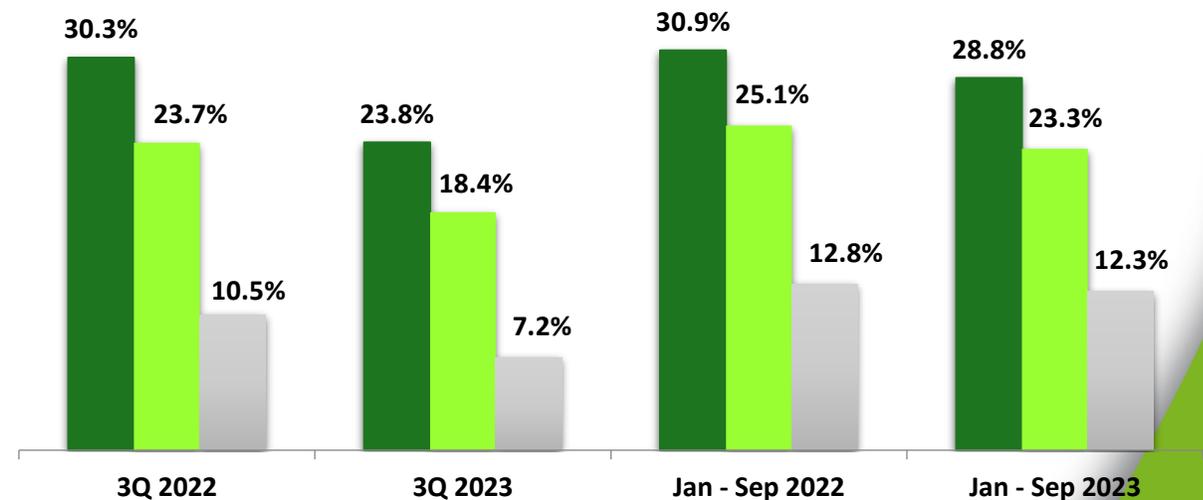
Var. 3Q2023 - 3Q2022

Jan. - Sep. 2023 - 2022



- **Revenues** increased COP 3,145, 21%, mainly explained by higher revenues in the Energy Distribution business, due to a higher tariffs and units sold, highlighting EPM parent company and the international subsidiaries of Guatemala and Panama.
- **Costs and expenses** increased COP 2,343, 21%, explained by a higher cost of the commercial operation given the increase in energy purchases of the energy distribution companies at a higher price.
- **EBITDA** increased COP 1,006, 21% with respect to previous year, standing out the contribution of the EPM parent company and the Generation Business, ADASA, ESSA, and EEGSA.

■ EBITDA margin ■ Operational margin ■ Net Margin



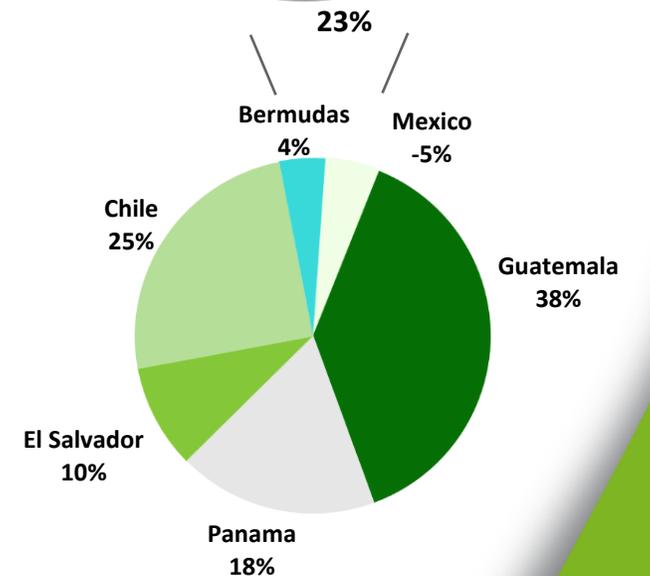
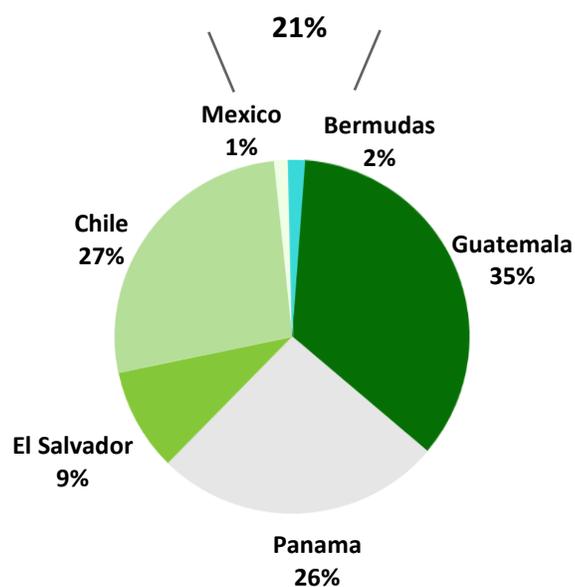
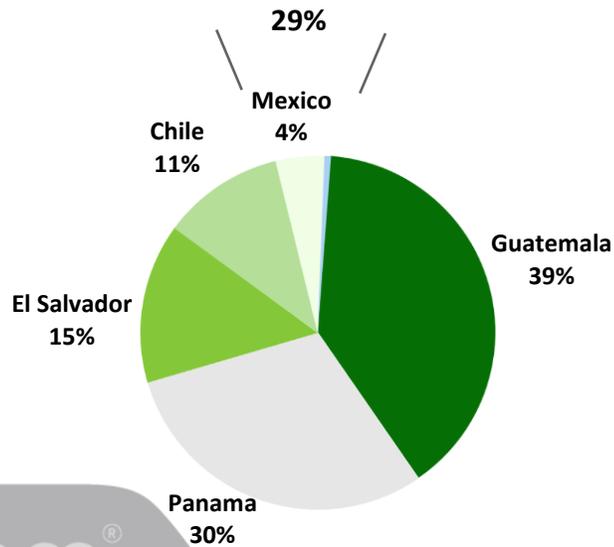
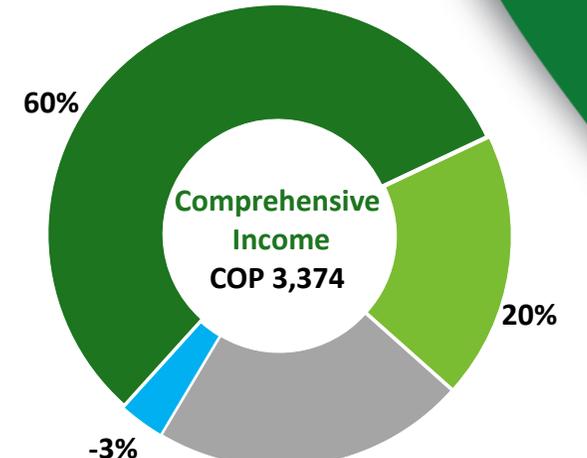
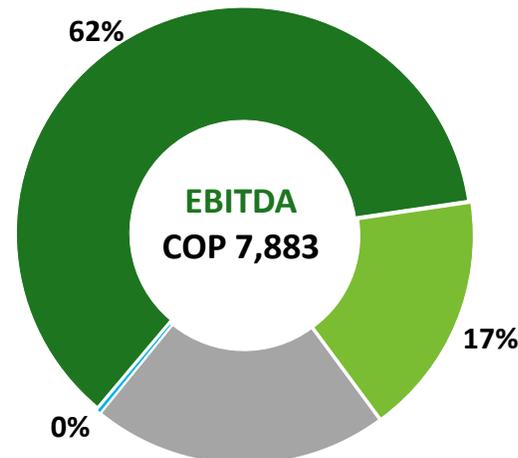
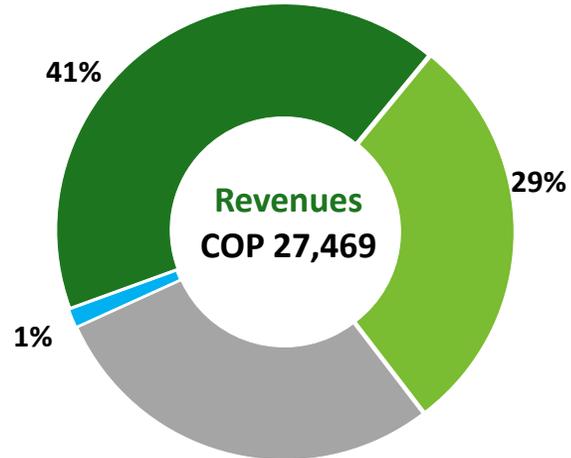
5. Financial Results as of September 30, 2023 (unaudited)

EPM Group by Colombian and International Subsidiaries

Figures in COP thousand million



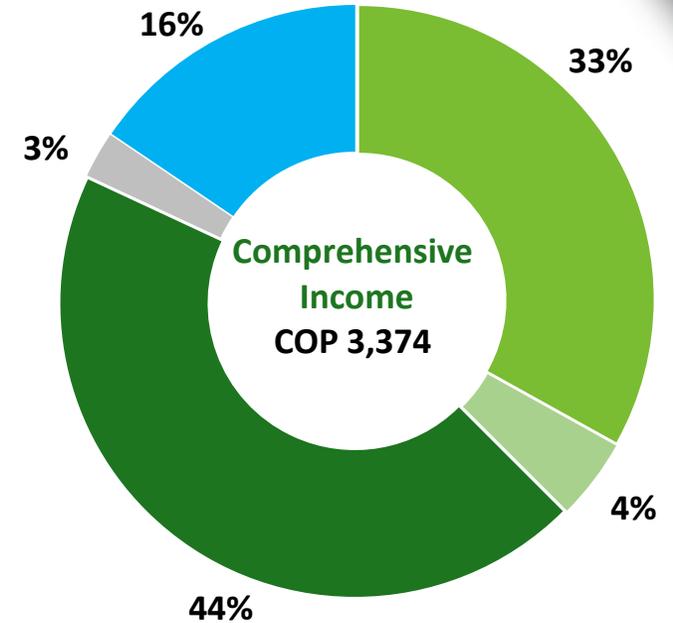
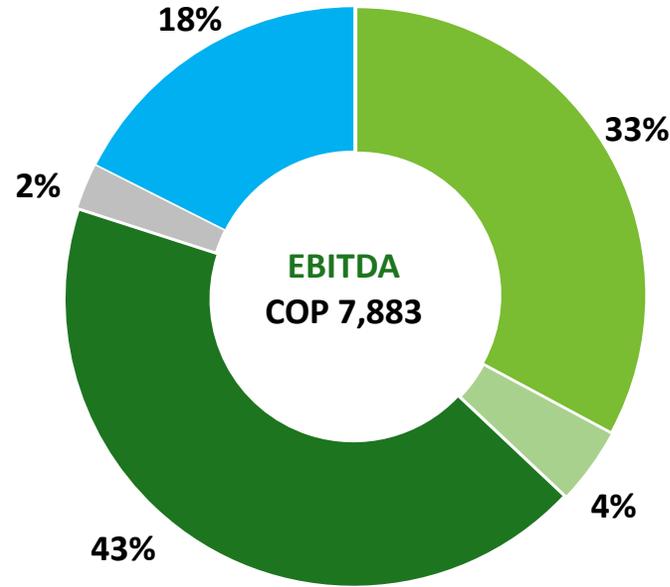
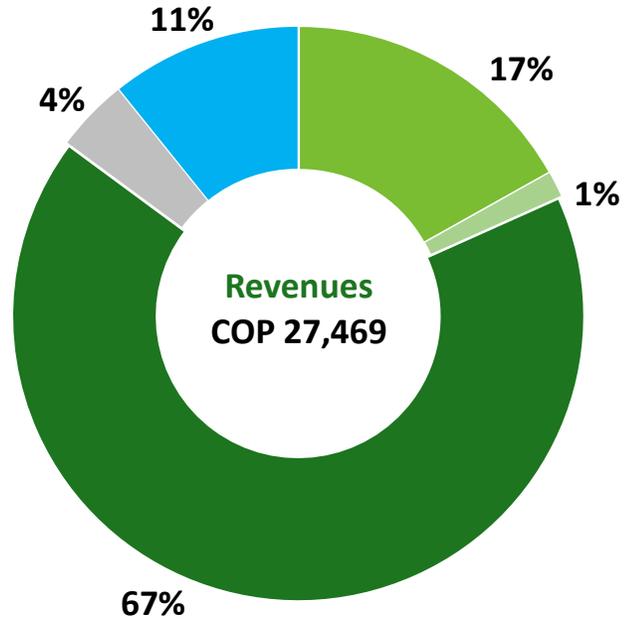
■ EPM
■ International Subsidiaries
■ Colombian Power Subsidiaries
■ Colombian Water Subsidiaries



5. Financial Results as of September 30, 2023 (unaudited)

EPM Group by Segments

Figures in COP thousand million

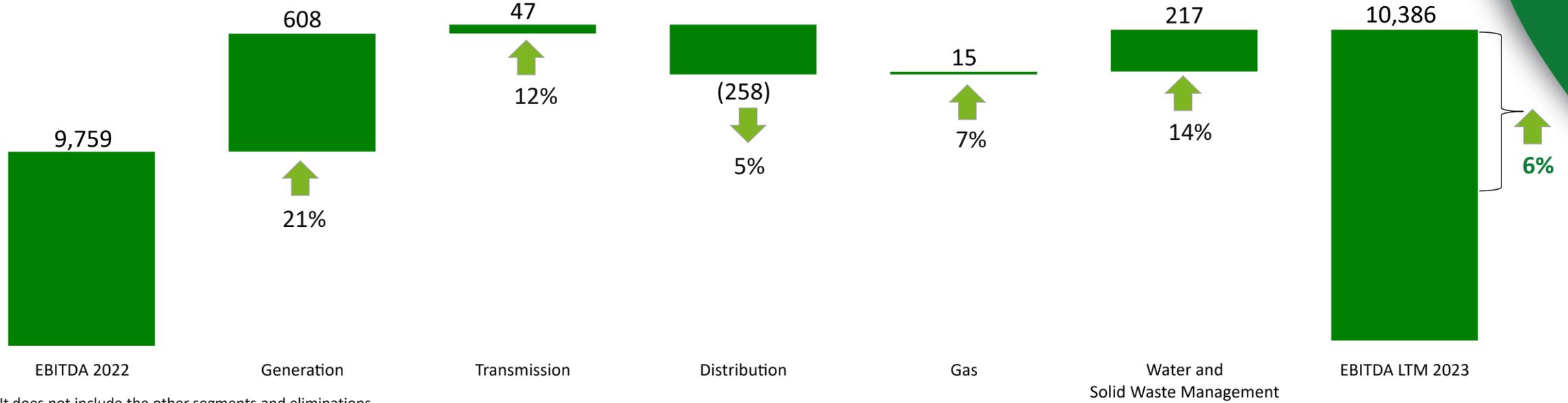


- Generation
- Distribution
- Water and Solid Waste Management
- Transmission
- Gas

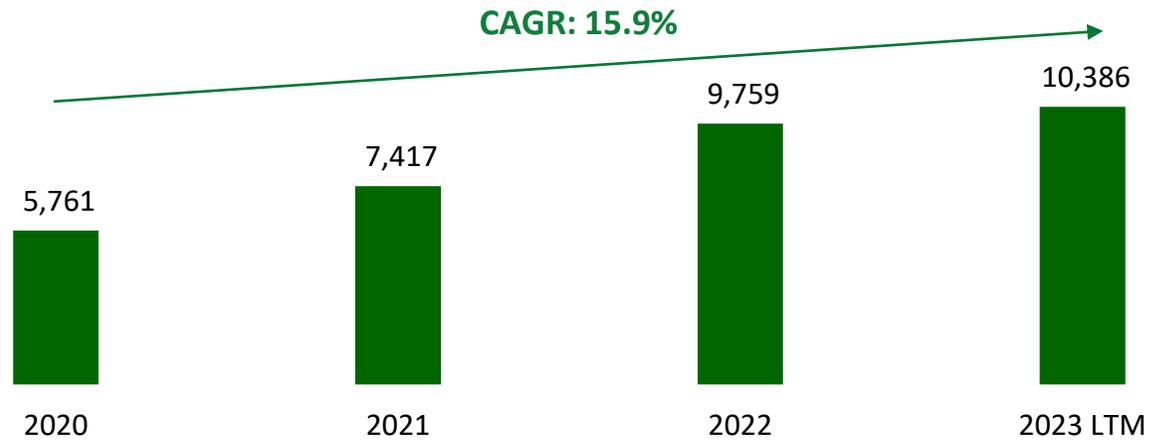
5. Financial Results as of September 30, 2023 (unaudited)

EPM Group EBITDA

Figures in COP thousand million



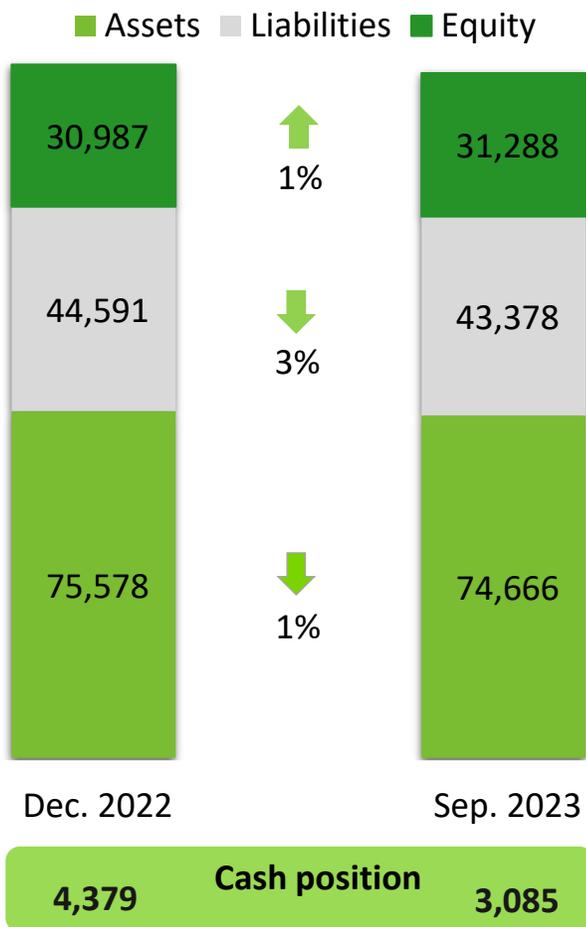
It does not include the other segments and eliminations.



5. Financial Results as of September 30, 2023 (unaudited)

EPM Group Statement of Financial Position

Figures in COP thousand million

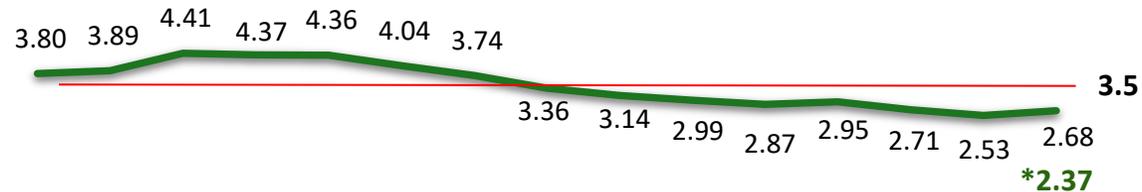


Ratios	2022	2023
Total Debt	59 %	58 %
Financial Debt	42 %	39 %
EBITDA/financial expenses	5.06 X	3.68 X
Long-Term Debt/EBITDA	2.87 X	2.68 X
Net Debt/EBITDA	2.38 X	2.37 X

EBITDA/ Financial expenses



Total Long Term Debt/EBITDA



1Q20 2Q20 3Q20 4Q20 1Q21 2Q21 3Q21 4Q21 1Q22 2Q22 3Q22 4Q22 1Q23 2Q23 3Q23

(*) Net Debt/EBITDA

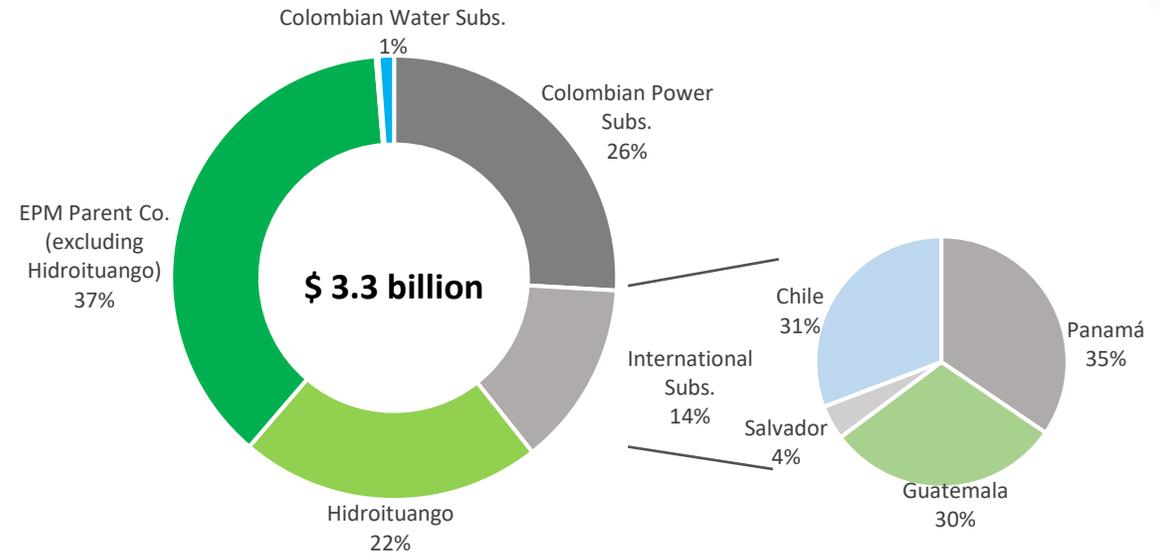
5. Financial Results as of September 30, 2023

CapEx EPM Group

Figures in COP million



EPM Group	Jan – Sep 2023
Hidroituango Power Plant	724,689
EPM Parent Company (excluding Ituango)	1,238,195
International Subsidiaries	444,766
WWTP Aguas Claras	6,576
Colombian Power Subsidiaries	857,457
Colombian Water Subsidiaries	37,169
Total	3,308,852



5. Financial Results as of September 30, 2023

EPM Group Debt Profile

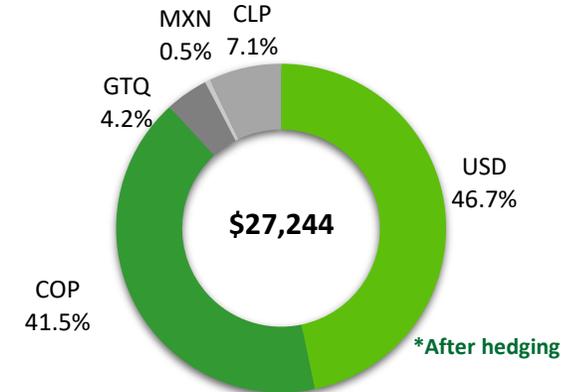
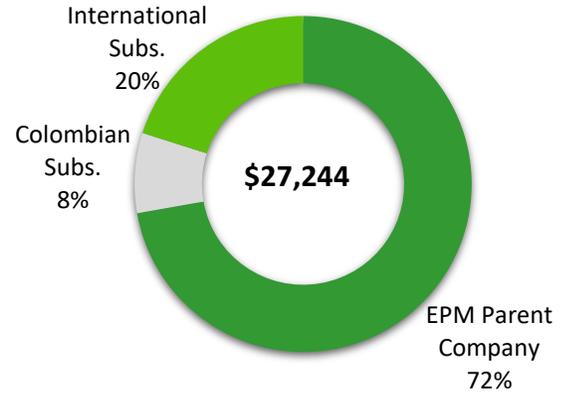
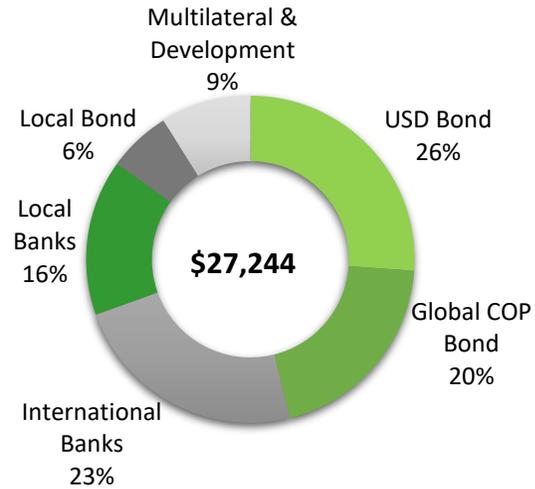
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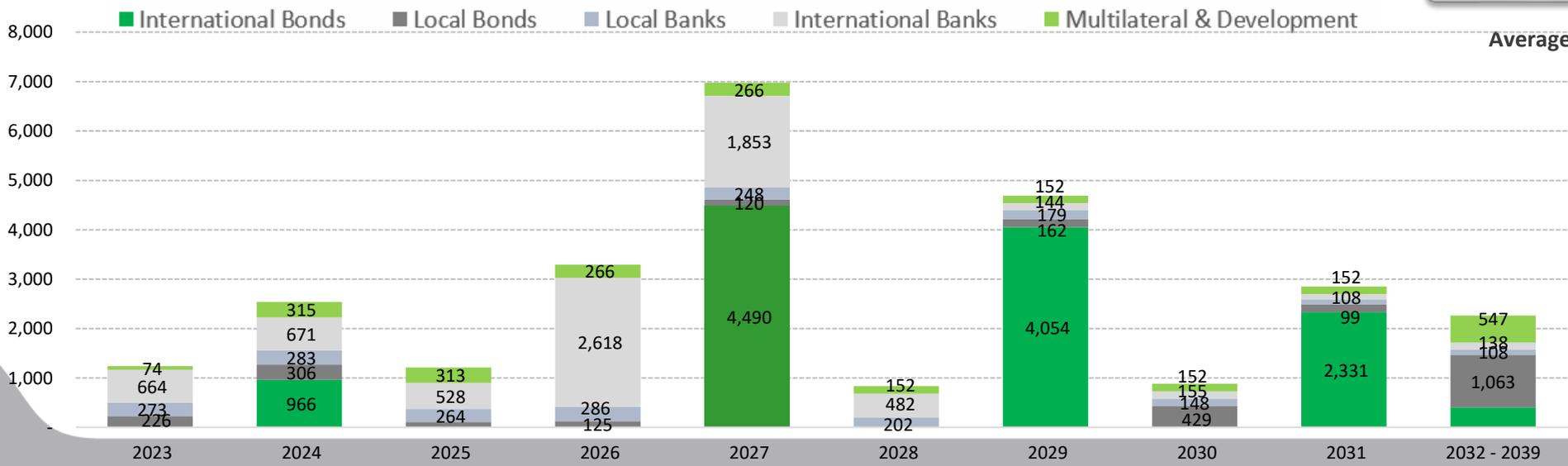
Source

Companies

Currency*



Maturities





Q&A Session



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Thank you!

Investorelations@epm.com.co

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